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REMARKS

I. CLAIMS 16, 17, 19, AND 20 CONTAIN PATENTABLE SUBJECT MATTER IN ACCORDANCE WITH SECTION 101.

In the Office Action, claims 16, 17, 19, and 20 were rejected under 35 U.S.C. 101 as being directed toward non-statutory subject matter because those claims include the element of a "dealer" as a limitation with respect to the element of a "user." No constitutional or statutory provision was cited in support of the proposition that claims cannot include human beings as elements. Moreover, no case law authority or MPEP citation was provided. There is no per se rule against including a user, physician, dealer, or other form of human being as a claim element. See Cardiac Pacemakers, Inc. v. St. Jude Med., Inc., 296 F.3d 1106, 1115 (Fed. Cir. 2002) ("physician" held not be a validating element in the context of a means-plus-function claim because the patent holder previously waived the argument).

Numerous examples of issued patents including such elements can be found on the PTO web site. By way of example, at least 414 patents have issued since 1976 that include a "physician" as a claimed element. That list of 414 patents includes use of the word "physician" in an apparatus or system claim. If at least 414 patents include the claim element of a "physician" then there can be no prohibition against the Applicants' including elements such as a "user" or "dealer."

The "dealers" of claims 16, 17, 19, and 20 are merely a subset of the "users" referred to in claims 1 and 14. Claims 16 and 17 are directed toward a system that includes being used by users who are registered with the system as dealers. Inclusion of a human being as a claim element is not the same thing as claiming ownership of human being. Moreover, contrary to the assertions of the Examiner, claims 19 and 20 are method claims. To claim a system or a method that involves user interaction by registered users does not constitute a claim directed toward constitutionally banned ownership of a human being. Therefore, claims 16, 17, 19, and 20 contain patentable subject matter and are in condition for allowance.

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II. CLAIMS 1-7 AND 10-21 ARE NOVEL AND NONOBVIOUS.

In the Office Action, claims 1-7 and 10-21 were rejected under 35 U.S.C. 103(a) as being obvious over U.S. Patent No. 6,014,644 ("Erickson") in view of U.S. Patent No. 5,744,873 ("Berent"). However, Erickson and Berent do not disclose each and every element of the claimed invention. Moreover, there is no affirmative suggestion to combine the cited references, and the cited references teach away from the Applicants' claims. The Applicants respectfully traverse the rejections and, therefore, assert that claims 1-7 and 10-21 are in condition for allowance.

A. Erickson and Berent do not disclose each and every element of claims 1-7 and 10-21.

As the Federal Circuit decision in In re Sang Su Lee, 2002 U.S. App. LEXIS 855 (Fed. Cir. January 18, 2002) makes clear, each and every element of the Applicants' claims must be supported by a prior art citation in order to reject the Applicants' claims. The references cited in the Office Action do not disclose each and every element of the Applicants' claims, and thus, the Applicants' claims are in condition for allowance.

There are a number of elements in claim 1 that are not even disclosed in the references cited by the Examiner, let alone in combination in the manner required to show obviousness.

- I. An electronic system for facilitating transactions comprising:
an asset configuration unit responsive to input data provided by a first user for generating a profile of an asset, said profile comprising asset specification data and a bid definition defining parameters associated with one of a purchase, rental and lease transaction of said asset;
a market database for storing a plurality of said asset profiles;
a market search module configured to search said market database based on search parameters specified by a second user and generate an identification of assets according to said search parameters, said market search module being configured to display to said second user a portion of said asset specification data for at least one of said identified assets;

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a bid module configured to allow said second user to select said one of said identified assets for placement of a bid thereon, said bid module being further configured to provide at least one of purchase, rental and lease transaction options to said second user in accordance with said bid definition; and a communications interface for facilitating electronic remote access of said system by said first and second user [Emphasis added].

1. The cited references fail to disclose the claim elements relating to a "second user" including the input of a "search parameter" by the "second user."

Erickson cannot be said to disclose a bid module configured to allow a "second user" to select one of said identified assets for placement of a bid thereon because Erickson teaches a reverse bidding process where the buyer both inputs the product information and solicits bid. Thus, Erickson fails to disclose a "second user" or any activities performed by a "second user." In a reverse bidding process, a buyer elicits bids from suppliers rather than submitting bids to suppliers. By disclosing a reverse bidding process, Erickson teaches that a buyer may (1) browse a database in order to assemble a list of suppliers and (2) distribute bid request messages or follow-up bid request messages to suppliers selected from the assembled list of suppliers (Erickson column 8, lines 28-39). Thus, buyers disclosed by Erickson do not identify assets for placement of a bid thereon. To the contrary, Erickson teaches that buyers request bids from suppliers. Such a process precludes a "second user" from entering any "search parameters" or any of the other elements in Applicants' claims.

In contrast to claim 1, Erickson teaches that the same user, a supplier, submits company or product information to a database and submits bids to a different user, which Erickson calls a buyer. Erickson further teaches that a buyer browses a database looking for suppliers, but instead of submitting bids, the buyer requests bids from suppliers.

A reverse bidding process such as that disclosed by Erickson is counterintuitive to Applicants' claimed bid module configured to allow a second user to select one of said identified assets for placement of a bid thereon. Erickson discloses a system and method for facilitating

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communication between buyers and sellers in a reverse bidding process. It is clear that communications in a reverse bidding process can be complicated because there is at least one additional communication step: a potential buyer must elicit bids from suppliers as well as track suppliers' responses or lack of responses. This is at least a two-step process in which the first communication merely elicits a response from a supplier. In turn, suppliers' responses are designed to contain bids. Erickson discloses use of a data object to improve communications in a reverse bidding process, which data object is designed to guide suppliers' responses so that the suppliers insert certain information, which information is desired by a potential buyer, into their responses. Erickson's system seeks to solve a communication problem specific to a reverse bidding process. Thus, Erickson does not disclose a bid module configured to allow a second user to select one of said identified assets for placement of a bid thereon because allowing a second user to submit a bid does not coincide with a reverse bidding process. Furthermore, Erickson's reverse bidding process cannot be modified to disclose allowing a second user to select one of said identified assets for placement of a bid thereon without changing a fundamental and required principle of operation of Erickson's reverse bidding process. Claims 2-7 and 10-13 depend on claim 1, and thus claims 2-7 and 10-13 are in condition for allowance.

Independent claim 14 includes the functionality of "a market search module configured to search said market database based on search parameters specified by a second user [emphasis added]," and thus claim 14 and claims 15-17 which depend on claim 14, in condition for allowance. The cited references cannot be said to disclose a method of searching using search parameters specified by a second user because the cited references fail to disclose a search parameter specified by a second user.

Independent claim 18 is a method claim including the process step of "searching the market database based on search parameters specified by a second user [emphasis added]." Therefore, claim 18, and claims 19-21 which depend on claim 18, are in condition for allowance.

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2. The cited art fails to disclose a "bid definition defining parameters associated with one of a purchase, rental and lease transaction of said asset."

The cited prior art lacks any citation of a bid definition defining parameters associated with one of purchase, rental and lease transaction of said asset, as required by claim 1. Moreover, it would not have been obvious to one skilled in the art to modify the teachings of Erickson to include purchase, rental, and lease transaction parameters in a bid definition because such a modification to Erickson would render the Erickson functionality unsatisfactory for its primary intended purpose, the purpose of tracking communications in a reverse bidding process. If Erickson were modified so that a bid definition provided by a supplier included parameters associated with a purchase, rental, or lease transaction, then buyers in Erickson's system, upon identifying potential suppliers, would learn not only information regarding any assets offered by suppliers, but also of transactional data related to the suppliers. If a buyer, upon browsing a database, learned both product information and parameters associated with a transaction, the buyer would not have a need to request bids from suppliers, which is what Erickson teaches. Indeed, Erickson discloses providing prospective buyers with product information such as class, price, and any other type of information necessary to *identify* a particular product. It would not have been obvious to one skilled in the art to provide transactional data associated with a purchase, rental, or lease transaction to help a prospective buyer identify a product. Moreover, it is counterintuitive to a reverse bidding process to teach that suppliers provide both product information and transactional data to a database, and then subsequently submit bids requested by interested buyers. Claims 2-7 and 10-13 are in condition for allowance because claims 2-7 and 10-13 depend on claim 1.

Independent claim 14 includes the element of a "bid definition defining parameters associated with a rental transaction of said asset [emphasis added]." With respect to the "bid definition" element, claim 14 is independently in condition for allowance for the same reasons as

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claim 1. Furthermore, the claims that depend on claim 14 (claims 15-17), are also in condition for allowance.

As the cited references fail to disclose the element of a "bid definition" as claim by the Applicants, the cited references cannot be said to disclose the method of "generating a bid definition defining parameters associated with a rental transaction of the asset [emphasis added]," as required by claim 18. Claims 19-21 are in condition for allowance because claims 19-21 depend on claim 18.

3. The cited references fail to disclosure "maintenance history data" as claimed by the Applicants.

Claims 2 and 14 include "maintenance history data" as part of the "asset specification data." Method claim 18 includes the steps of "generating asset specification data with an asset include maintenance history data [emphasis added]" and "searching the market database based on search parameters specified by a second user and displaying to the second user at least a portion of the asset specification data that includes the maintenance history data [emphasis added]." The Examiner admits that Erickson does not recite maintenance history data (Office Action, Page 4). However, despite the assertions of the Examiner to the contrary, Berent also fails to disclose maintenance history data. Berent discloses a motor vehicle auction that displays certain information about a vehicle (column 9, lines 20-39). Nowhere in Berent's list of vehicle information does Berent disclose maintenance history data. Berent's list includes only vehicle run number, mileage, descriptive information, vehicle ID number, and condition and grade information. Information regarding the characteristics of a vehicle is distinct from information relating to maintenance activities performed on a vehicle or other asset. When a person places a vehicle for sale, often the seller may describe the vehicle as being in excellent, good, or poor condition. Such simple description of the condition of a vehicle does not inherently include the date of the last oil change or the date on which the brakes were replaced.

Indeed, Berent's system exhibits shortcomings discussed by Applicants in the Background section of Applicants' application:

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One key shortcoming of all these known systems of disposing of end-of-lease assets manifests itself in the failure to fully realize the full, remaining economic value of the asset. One factor contributing to this shortcoming involves the lack of information available to potential purchasers, renters and lessees. Information concerning the condition, treatment, and, particularly, the maintenance history of the asset during its operating life up to the time the asset is being offered for disposal are all important in determining a sales price, but are frequently unavailable. In any event, such information is never convenient to obtain. For example, it is known in the passenger vehicle fleet industry to make some level of maintenance history data on particular vehicle available to the potential purchaser. However, to obtain this data, the potential purchaser must make a telephonic request to the asset's fleet manager, who manually looks up the information, and provides it (e.g., by way of facsimile) to the potential purchaser if it is even available. Obtaining such information, therefore, involves a significant investment, both in time and effort.

Applicants' invention overcomes the failure of Berent's system to provide readily available maintenance history data. Thus, Berent totally lacks any teaching of maintenance history data. Claims 3-7 and 10-13 depend on claim 2, claims 15-17 depend on claim 14, and claims 19-21 depend on claim 18. Therefore, claims 2-7, and 10-21 are in condition for allowance.

4. **"Classes of users"** are not disclosed in the cited references.

Claim 4 includes a bidder classification parameter defining classes of users allowed to place a bid on said asset. This functionality is not disclosed by Erickson or Berent. Erickson teaches classification information that illustrates *classes of goods or services* (column 7, lines 50-56; column 9 lines 43-39), not classes of users. While Erickson appears to disclose linking user profiles to classification data, nowhere does Erickson disclose that linking user profiles to classification data creates classes of users (column 9, lines 37-49). This is because Erickson teaches classifications that separate only goods or services into classes. Although Erickson discloses that a supplier profile may contain information that labels a supplier as an "approved" supplier, this data is individual to each supplier because Erickson does not disclose a class of

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"approved" suppliers. Such individualized data is not equivalent to classes of users allowed to place a bid on an asset.

Berent also fails to disclose a bidder classification parameter defining classes of users allowed to place a bid on said asset. Instead, Berent teaches that *each* remote user can have a certain set of specific user privileges that control each user's level of access to system resources (column 4, lines 47-52). Berent's individual user access privileges to a network do not amount to a definition of classes of users allowed to place a bid on an asset. Thus, claim 4 is in condition for allowance for reasons additional to its dependence from other patentable claims.

5. The cited references also fail to disclose a "dealer class" and a "member class."

As discussed above, Erickson does not disclose classes of users. All user distinctions are made on an individual user by individual user basis. Therefore, it would not have been obvious to one of ordinary skill in the art to include a dealer class and a member class as classes of users. Therefore, claim 5 is in condition for allowance for reasons additional to its dependence from other patentable claims.

6. The cited references also fail to disclose other elements in the Applicants' dependent claims.

There are many other elements in the Applicants' claims that are not disclosed in the cited references. By means of example, such omissions include but are not limited to the "bidder classification parameter" of claim 4, the inclusion of a "list price" and a "minimum price" in the "transaction characteristic data" of claim 8, and "registering" users as "dealers" as claimed in claims 19-20.

B. Erickson and Berent teach away from the Applicants' claims, and thus there can be no affirmative suggestion for the combination asserted by the Examiner.

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It is improper to combine references where the references teach away from their combination. In re Grasselli, 713 F.2d 731, 743, 218 USPQ 769, 779 (Fed. Cir. 1983). If the proposed modification or combination of the prior art would change the principle of operation of the prior art invention being modified, then the teachings of the references are not sufficient to render the claims *prima facie* obvious. In re Ratti, 270 F.2d 810, 123 USPQ 349 (CCPA 1959). Erickson and Berent should not be combined because they teach away from each other, and together, they teach away from Applicants' claimed invention.

Erickson teaches a method and system for broadcasting, tracking, and analyzing electronic communications that take place between suppliers and buyers during a reverse bidding process. Erickson's broadcasting feature helps buyers locate potential suppliers so that the buyers can electronically request bids from the potential suppliers. The system taught by Erickson is focused on improving communications in a reverse bidding process by storing all electronic communications, made in relation to a particular bid, in a single data object and attaching each new communication to that data object. Erickson's system becomes useful in the context of reverse bidding processes because such processes require extra steps of communications between suppliers and buyers. These additional steps of communications are unnecessary in a traditional straightforward bidding process, such as Berent's on-line motor vehicle auction and information system. Berent's straightforward auction does not employ additional steps of communication, which steps are inherent in a reverse bidding process. Indeed, combination of Erickson and Berent would change a principle of operation of Erickson's reverse bidding process by changing the type and simplifying the complexity of communications that are disclosed by Erickson. Moreover, Erickson's reverse bidding system discloses that suppliers submit bids to interested buyers. In contrast, Berent discloses a traditional auction where potential buyers submit bids to a supplier. For these reasons, Erickson teaches away from a combination with Berent.

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III. CLAIMS 8 AND 9 ARE NOVEL AND NONOBVIOUS.

In the Office Action claims 8-9 were rejected under 35 U.S.C. 103(a) as being obvious over U.S. Patent No. 6,014,644 ("Erickson") in view of U.S. Patent No. 5,744,873 ("Berent"), and further in view of U.S. Patent No. 6,161,099 ("Harrington"). However, Erickson, Berent, and Harrington do not disclose each and every element of the claimed invention. Moreover, there is no affirmative suggestion to combine the cited references, and the cited references teach away from combination.

A. **Erickson, Berent, and Harrington do not disclose each and every element of claims 8-9.**

Claims 8-9 depend from allowable claims discussed above, and are therefore, in condition for allowance for the same reasons set forth above. Claims 8-9 are in condition for allowance for additional reasons as well because the cited prior art references fail to disclose patentably distinct elements recited by claims 8-9.

Claim 8 is directed to "transaction characteristic data for a rental transaction" that comprises a "list price for a predetermined period of time." These elements are not disclosed in the cited prior art references. Berent discloses an on-line motor vehicle auction, and does not disclose a rental transaction, let alone transaction characteristic data for a rental transaction. Erickson also fails to disclose either of a rental transaction or transaction characteristic data for a rental transaction because Erickson teaches a system and method for tracking communications in a bid process. Harrington teaches an electronic sale of municipal bonds and does not disclose a rental transaction or transaction characteristic data for a rental transaction. Accordingly, the cited prior art references fail to disclose a list price for a predetermined period of time.

Claim 9 is directed to transaction characteristic data for a lease transaction that comprises a "periodic lease amount and a lease term." These elements are not disclosed in the cited prior art references. Berent's on-line motor vehicle auction, Erickson's tracking of bid process communications, and Harrington's auction of municipal bonds all fail to disclose a lease

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transaction and transaction characteristic data for a lease transaction. Moreover, the cited prior art references fail to disclose a periodic lease amount and a lease term.

As discussed above, it would not have been obvious to one skilled in the art to modify Erickson to include bid definition parameters associated with a purchase, rental, or lease transaction. Likewise, it would not have been obvious to include transaction characteristic data for a rental or a lease transaction, let alone a list price for a predetermined period of time, a periodic lease amount, or a lease term. Therefore, claims 8-9 are in condition for allowance.

B. Erickson and Harrington teach away from each other and the Applicants' claims.

As discussed above, there is no affirmative suggestion to combine Erickson and Berent. For the same reasons, there is no such suggestion to combine Harrington and Erickson because the references teach away from each other, as well as from the claimed invention. Harrington teaches a process and apparatus for conducting auctions for municipal bonds over the Internet. These auctions are straightforward auctions rather than reverse bidding processes. Thus, Erickson's disclosure of a system for tracking communications in a reverse bidding process teaches away from Harrington's straightforward auction.

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CONCLUSION

Claims 1-21 are in condition for allowance. If it is believed that any additional fees due with respect to this paper have already been identified in any transmittal accompanying this paper. However, if any additional fees are required in connection with the filing of this paper that are not identified in any accompanying transmittal, permission is given to charge account number 18-0013 in the name of Rader, Fishman and Grauer PLLC.

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